



**FINANCE (PUC) DEPARTMENT**

**No. 84/97/Fin., dated, Thiruvananthapuram  
5<sup>th</sup> November 1997**

**CIRCULAR**

*Sub.-* Public Undertakings-Boards and Corporations-Deposit of funds in Government Treasury-Further instruction-Issued.

- Ref.-*
1. G.O. (Rt.) No. 297/83/Fin., dated 20<sup>th</sup> January 1983.
  2. Circular No. 60/92/Fin., dated 30<sup>th</sup> November 1992.
  3. Circular No. 6/96/Fin., dated 22<sup>nd</sup> January 1996.

Strict instructions have been issued from time to time directing all the Public Sector Undertakings/Boards/Corporations to deposit the surplus/reserve funds with them in Government treasuries only. Despite such instructions, instances have come to notice of Government, wherein Public Sector Undertakings/Boards/Corporations are still keeping substantial funds in Scheduled/Co-operative Bank etc. All Public Sector Undertakings/Boards/Corporations are therefore informed that their action in depositing the surplus/reserve funds in Bank is against the policy of Government. They are directed to strictly adhere to their instructions already issued in the matter. Chief Executives of the respective Boards/Corporations will be personally responsible for this.

Funds remaining in Scheduled/Co-operative Banks etc. should be withdrawn and deposited in Government treasuries immediately. The Chief Executives of the Boards and Corporations shall furnish a compliance report in this regard to the Finance Department within one month. Non-observance of these instructions will be viewed very seriously and financial assistance by way of share contribution, loan and grant will not be released to such companies. Government nominees on the Board of Directors shall take immediate steps to carry out these instruction and report to Government in the Finance Department any lapse in this regard, without fail.

**VINOD RAI**

*Principal Secretary (Finance)*